



M E D I A R E L E A S E

STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE

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DEPARTMENT OF COMMERCE & INSURANCE RELEASES THIRD INSTALLMENT OF MEDICAL MALPRACTICE CLAIMS REPORT

Nashville, TN.- The Tennessee Department of Commerce and Insurance has completed the 2007 Medical Malpractice Claims Report.

The report is required by state law adopted in 2004 as a result of a study committee conducted by the General Assembly. Tennessee law requires insurance companies and uninsured health care professionals and facilities to report medical malpractice claims data to the Department over a four year period.

The report contains summary information regarding medical malpractice claims pending or resolved in 2006, and the amounts paid in damages, settlements, and expenses for medical malpractice claims.

"This is the third of four annual reports quantifying the frequency and cost of medical malpractice claims in Tennessee," said Leslie A. Newman, Commissioner for the Department of Commerce and Insurance. "We appreciate the efforts of insurance companies and medical professionals statewide to assist us in obtaining the information submitted for the report. We also appreciate the trial lawyers efforts this year as this was the first year they were required to submit information for this report."

Based upon financial data reported to the Department, insurance companies wrote over \$345 million in medical malpractice premiums in Tennessee in 2006. According to the submitted medical malpractice claims information, Tennessee trial courts issued six medical malpractice judgments totaling \$4,951,459. In 2006, over 2,973 medical malpractice claims were resolved by insurance companies and uninsured health care facilities. Eighty-five percent (85%) of these claims resolved in 2006 resulted in no payment of damages. Settlement of claims occurred for 15.24% of medical malpractice claims in 2006 and resulted in payment of damages totaling \$100,233,337. Expenses paid in 2006 for defense of medical malpractice claims totaled \$67,027,197. Insurance companies reported that financial reserves established in 2006 for Tennessee medical malpractice claims totaled \$794,843,289. Approximately 5,430 open medical malpractice claims were identified as of December 31, 2006.

A copy of the report is available at the Department's website at www.tennessee.gov/commerce.

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